

HIGHER EDUCATION

COMMISSION ON HIGHER EDUCATION

Community College Chargeback

Proposed Readoption: N.J.A.C. 9A:4

Authorized By: Commission on Higher Education, Laurence M. Downes, Chair

Authority: N.J.S.A. 18A:64A-23(b)

Calendar Reference: See Summary below for explanation of exception to calendar requirement

Proposal Number: PRN 2003 - 169

Submit written comments by July 4, 2003 to:

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The agency proposal follows:

Summary

An existing statute (N.J.S.A. 18A:64A-23) enables nonresidents of a county to attend that county's community college at the county resident tuition rate. The law describes the process for obtaining approval for such students to so enroll and requires the "sending" county to reimburse the "receiving" county for its share of the college's cost of educating these students. This reimbursement, or "chargeback," is computed on a per-full-time-equated student basis and multiplied by cost ratios as determined by the State Treasurer.

The 1968 statute requires the Commission on Higher Education, as it did the former Board of Higher Education, to establish implementing criteria. The substance of the statute remains unchanged, and the Commission's rules at N.J.A.C. 9A:4 are similar to the former Board's but provide clarification about eligibility to attend an out-of-county college

on a chargeback basis and specify certain procedures. Pursuant to N.J.S.A. 52:14B-5.1c, N.J.A.C. 9A:4 expires on January 2, 2004. Readoption without change is proposed. A summary of the rule sections follows.

N.J.A.C. 9A:4-1.1 cites the statutory authorization for the proposed rules.

N.J.A.C. 9A:4-1.2 defines terms used in the rule text. The definition of “offer a particular course or program” specifies various means by which a community college may be considered to be offering instruction and thereby obviating the need for a county resident to pursue studies elsewhere on a chargeback basis.

N.J.A.C. 9A:4-1.3 details the basic conditions under which nonresident students may attend another county’s community college on a chargeback basis. The section also addresses various special circumstances. For example, N.J.A.C. 9A:4-1.3(c) clarifies that all required coursework in a chargeback student’s program at the receiving college is eligible for chargeback, even if the home county college offers some of the same courses. N.J.A.C. 9A:4-1.3(d) reiterates that community colleges may contract with out-of-county colleges as a means of providing instruction but limits the distance a student would have to travel. If the contract institution is beyond a 30-mile radius from the student’s place of residence, enrollment on a chargeback basis at a closer community college is permitted.

N.J.A.C. 9A:4-1.4 describes procedures to be followed, including the requirement, at N.J.A.C. 9A:4-1.4(b), that a county’s chief financial officer give the reason for refusing a student’s application for chargeback. N.J.A.C. 9A:4-1.4(e) requires a community college billing the home county of a chargeback student to identify the courses or programs in which the student is enrolled, in order to limit instances of inappropriate chargeback when students change majors.

As the Commission has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement, pursuant to N.J.A.C. 1:30-3.3(a)5.

#### Social Impact

The rules proposed for readoption help ensure broad access to affordable higher education at the associate degree level by providing a means for residents of any New Jersey county to pursue desired courses or programs of study that are not available at their home county college. The chargeback mechanism helps preserve the commitment of the counties to county residents.

#### Economic Impact

The rules proposed for readoption help maintain the affordability of a community college education by ensuring that county residents may pursue studies not available at their home county college without paying a higher, nonresident tuition rate at another community college that offers the desired coursework. The chargeback mechanism helps ensure that county taxpayers do not subsidize the education of out-of-county students.

### Federal Standards Statement

The rules proposed for readoption are not subject to a Federal standards analysis under Executive Order No. 27 (1994) because the practice of community college chargeback is not subject to any Federal requirements or standards.

### Jobs Impact

The rules proposed for readoption will not result in the generation or loss of any jobs.

### Agriculture Industry Impact

The rules proposed for readoption will have no impact on the agriculture industry.

### Regulatory Flexibility Statement

A regulatory flexibility analysis is not required because the rules proposed for readoption do not impose requirements on small businesses as defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The rules pertain strictly to county community colleges.

### Smart Growth Impact

The rules proposed for readoption will have no impact on the achievement of smart growth and the implementation of the State Development and Redevelopment Plan.

Full text of the proposed readoption may be found in the New Jersey Administrative Code at N.J.A.C. 9A:4.